

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

1942
A2R11

MARKETING FRESH FRUITS AND VEGETABLES IN NEW YORK CITY

Broadcast in the Department of Agriculture portion of the National Farm and Home Hour, Wednesday, August 23, 1939, from the NBC studios in New York City over the NBC Blue network.

Skit produced by National Broadcasting Company.

Participants in round-table discussion:

John Wellbrock, Florida grower and shipper;
Fred Vahlsing, Texas grower and shipper;
Charles Havener, New York produce dealer;
L. A. Bevan, director of New Jersey Agricultural
Extension Service;
William C. Crow, Bureau of Agricultural Economics;
E. J. Rowell, Agricultural Marketing Service, USDA

--goOoo--

CHICAGO ANNOUNCER:

For the Department of Agriculture's portion of the program we take you to New York.

SOUND:

(Telephone bell.)

CLERK:

Smith's market. Yes Mrs. Jones. Yes, we have some - very nice peaches. A dozen you said. All right. A head of Iceberg lettuce...10 pounds of potatoes.. and a bunch of carrots. How about some----- (fading out).

ANNOUNCER:

I don't know how many thousand times a day such conversations take place here in New York City, --or-- throughout the country, how many hundreds of thousands of times a day housewives call or visit their local markets to select fruits, vegetables, and other food products for their family table. The situation which exists here in New York City is truly a modern paradox, the effects of which are such that while, on the one hand, New York is entertaining millions of visitors who have come to see "the World of tomorrow," on the other hand, some of the methods used in the handling of fruits and vegetables in this city are no more modern than those used to build the pyramids of Ancient Egypt.

New York is justly famous for its Radio City, its towering Empire State Building, such marvels of engineering skill as the Holland Tunnel and its many huge and beautiful bridges -- and yet almost within the shadow of the skyscrapers is the nation's greatest market for fresh fruits and begetables.

It is the purpose of this broadcast to bring to you information on the situation which exists in this market.

Where these farm products came from and how they got from the farmer to the retailer is a long - and frequently complicated story.

FIRST VOICE:

Why does it cost one and a half billion dollars to market the one billion dollars worth of fruits and vegetables produced in this country each year?

(Over)

SECOND VOICE:

What is being done to secure lower marketing costs and more effecient marketing?

ANNOUNCER:

These are questions of concern to you as a consumer; and to all producers of fruits and vegetables. Big figures are not hard to say, but they are sometimes hard to picture. The Bureau of Agricultural Economics and the Agricultural Marketing Service of the United States Department of Agriculture have made arrangements to give you a word picture of the greatest market in the world for fruits and vegetables--New York City.

FIRST VOICE:

215 thousand freight cars or their equivalent were required to bring into the city the fruits and vegetables used by residents of New York City and vacinity last year.

SECOND VOICE:

40 thousand carloads of fruits and vegetables from the State of California.

FIRST VOICE:

40 thousand carloads from the State of Florida.

ANNOUNCER:

Yes, the markets of New York, last year handled the equivalent of 215 thousand carloads of fruits and vegetables -- one carload for every minute in every daylight hour of the year. These products came from many states. In fact, during 1938 farmers from 42 States sent their products to New York City. As one consumer said to me the other day, "If it's in season anywhere in this country, you can buy it in New York."

How are these thousands of carloads of produce--coming as they do, by rail, truck and boat--handled in the wholesale markets?

We can get some idea of that by looking in on the Washington Street Market on lower Manhattan Island--right here in the shadows of New York's tallest skyscrapers. This market handles about 3/4 of all the fruits and vegetables used in New York City. 267 wholesale houses do business in this market.

The time is early morning - about three A.M.

SOUNDS:

Trucks, street noises to full volume, then fading under following line by announcer.

ANNOUNCER:

Since before midnight the market has been a beehive of activity--streets congested with trucks of all kinds and sizes--huge trucks and trailers--bringing produce direct from many States--other trucks bringing produce from the piers, docks and railroad yards -- peddlers with carts, light delivery trucks owned by retail stores loading up to meet the demands of the day.

Joe Carmollo, owner of one of New York's thousands of retail markets, has come to the Washington Street Market to buy some fruits and vegetables. With him is his nephew--Tony--a lad of 17. This is Tony's first visit to the market.

Joe thinks he has found a place to park his truck. Tony is not so sure about it.

SOUND:

(As of parking a truck.)

TONY:

Gosh, I don't know, Uncle Joe. Not much room. 's pretty hard to find a place to park down here, isn't it?

JOE:

Yep. And it's like this every day. There. Guess that's close enough to the curb. Come on, let's go see what we c'n find.

TONY:

Someone told me the other day that they have room enough for only about 300 trucks to get to stores to load or unlaod, and almost every morning around 1300 trucks are here trying to get to these stores.

JOE:

Yeh. At least four times as many trucks as there's room for--perhaps more.

TONY:

Look. We've walked almost a block now and not a one of these trucks has moved a bit.

JOE:

That's right. You see if one truck -- Look, see that big gray truck up ahead there? Well just as long as he stays there to unload those peaches, these trucks down here can't move. Sometimes these fellows will stay here for an hour or longer and not be able to get a chance to unload.

TONY:

I don't understand it, Uncle Joe. Big, powerful trucks that speed along the highway, and when they get here with the stuff, they just have to sit and wait. These streets are so narrow that when trucks are parked on each side there's hardly room for even one line of traffic.

JOE:

That's right. Say, Tony, keep your eve open. I'm looking for some good peaches and iceberg lettuce - and anything else that we can make some money on.

TONY:

Gee, but they pile the stuff up high! And clear out on the sidewalk!

JOE:

Yea, and a lot of those are just samples. We'll probably have to go somewhere else if we want any of those things. And sometimes when ya want to buy lettuce or somethin' else ya gotta wait for it to be brought from the team trucks 30 blocks away.

SAM:

(Off mike) -- Joe! Joe! Want to see ya. C'mere. Got a buy for ya.

JOE:

Hi, Sam. Whatcha got?

SAM:

Best peaches on the market. Never saw anything better'n these peaches. Take a look at 'em! Here, taste.

JOE:

Look pretty good. I've eaten better. But those peaches you sold me yesterday. Terrible! I'll bet I throw half of 'em away.

SAM:

Don't kid me, Joe. I know - they made you some money. All you want's a lower price today.

JOE:

No, Sam, I tell you, I buy those peaches yesterday. I take 'em to the store. They not so good. What kinda deal you give me? I been good customer to you.

SAM:

Well, let's see what we can do today. How many baskets you want?

JOE:

Oh, I might take 15 or 20. How much the price? Maybe I don't want any.

SAM:

Price is right. You know me - I always treat you right, - give you a right price.

JOE:

How much?

SAM:

(In a soft persuasive voice) --- Let you have them for \$1.40 a basket.

JOE:

Oh! \$1.40. C'mon down. You know I can't pay that price.

SAM:

Nope, that's the price -- \$1.40.

JOE:

I might take 10 baskets at \$1.20.

SAM:

Wait a minute! Not \$1.20. \$1.40. - But I tell you what you do. (soft voice) You take 20 baskets - I make you a price of \$1.30.

JOE:

Nope - I'll take 10 baskets at a \$1.25.

SAM:

All right - you've bought 'em. But you got 'em too cheap. (Shouting)
One man here, one man here -

TONY:

How ya going to get 'em to your truck?

JOE:

You wait a minute--you'll see.

SAM:

Here, take these over to Joe's truck - 10 baskets. Here's the slip.

PORTER:

Okeh, boss.

TONY:

Has this fellow got to push the peaches on that little hand truck over to your truck?

JOE:

That's it, Tony. 'S only way we can get 'em over there. I couldn't get the truck up in here.

PORTER:

Where's yo' truck?

JOE:

'Round the corner, 'n 2 blocks up the street. It's red, license number 76630.

PORTER:

O.K., boss. (Shouting to those on the street) Hey, watch yo' feet!

SOUND:

(Cart on cobblestones)

(Man's Voice)

Look out! look out! There goes a basket of peaches

SOUND:

(Box crashes to street)

TONY:

Gee, Uncle Joe, those are your peaches, spilled in the gutter.

JOE:

Well, Tony, that's one of the troubles down here you can't help. Sometimes the fellows can't even get those little hand trucks through, so they have to carry the stuff on their shoulders. It's tough, but I guess we just have to make the best of it.

TONY:

You know in school we were studying about some of these things, and I'll bet the farmers would feel pretty bad if they could see the way some of their stuff is handled when it gets to market.

Well, he's got the peaches back on the hand truck. Woops!

SOUND:

(Truck dropping from sidewalk curb to cobblestones and being wheeled over cobblestones).

SAM:

Joe, don't go yet. I got some nice Iceberg lettuce for you.

JOE:

Yeh?

SAM:

Yeah. Car just got in from California. Nice stuff too.

JOE:

Sure about that?

SAM:

Absolutely! Ordered U. S. No. 1 grade, and had it inspected at shipping point. Its fancy. Be over here in an hour.

JOE:

Well, I may be back. How much you goin' to get for it?

SAM:

I'll give you a right price. You come back.

JOE:

Well, maybe, - I'll see. I don't know as I need any though.

SAM:

You better come back and take a look. Its pretty swell lettuce.

TONY:

I never did see such a place. Trucks that can't move - Sam with lettuce to sell, but can't get it here to sell it. I don't see how they do any business. Who's that fellow talking to sam now? He's writing down something on a piece of paper. Did he sell something to Sam?

JOE:

No, Tony, that's the fellow who will get the prices you see in the paper and hear on the radio. They call him a market reporter. He works for the Department of Agriculture.

TONY:

What did he want the price for?

JOE:

Oh, to help farmers and others know how much things are bringing. You see farmer in California has to ship his things about 8 days before they can be sold here; and farmer from Florida, take him 3 days to get his stuff here. These market prices they help the farmer know how much the things are worth. I read 'em sometimes too. Helps me know whether I pay too much.

TONY:

What's that policeman talking to the guy on the truck for?

JOE:

Don't know. Maybe visiting. Maybe telling him to move on.

TONY:

Look, why there's trucks from New Jersey and New York and Maryland, Delaware, and Michigan.

JOE:

Yep. Trucks down here from most everywhere. Hundreds of 'em every night. Bring in lots of stuff that used to come in the freight cars.

POLICEMAN:

(In distance) Come on, move on! You can't stay there. Get going! I don't care if you do have to go around the corner to unload those potatoes. You can't stop here. Move along. I know.....but I said get going.

TONY:

But how's he going to deliver those potatoes Uncle Joe?

JOE:

I dunno. Guess he'll just keep driving around 'till he can get up that side street. They have to do that lots of times, to let a truck out so another one can get in.

TONY:

Gosh, Uncle Joe, aren't they going to do something about it? You wouldn't have to come down half as early if there was more room here.

ANNOUNCER:

We leave Tony and his Uncle Joe, Sam, and the rest of the men around the market, but Tony's observations have been the observations of many men.

Now we listen in on a round table discussion of these marketing problems, as representatives of the farmers, the trade, and Federal agencies get together to talk things over. (Introduces E. J. Rowell of U. S. Department of Agriculture).

ROWELL:

Good afternoon friends. We have invited five men to join in a round table discussion of the present market conditions here in New York City, and we hope - a discussion of some of the ways of improving the present market set-up. Let me tell you a little about these men, who they are, and who they represent--

Mr. John Wellbrock of Wellbrock and O'Neal, Del Ray Beach, Florida, is well qualified to speak for the Florida growers and shippers. He is one of the largest growers and shippers of Florida vegetables.

Fred Vahlsing is one of the largest growers and shippers of vegetables in the big State of Texas. He is also a shipper of Maine potatoes.

Charles Havener is President of C. W. Havener and Company, one of the leading firms on the New York Market, receiving fresh vegetables from all parts of the country. For 20 years he has had to combat the situations which were portrayed during the past few minutes.

New Jersey is the fourth largest shipper of fruits and vegetables to New York - and has a large consuming population just outside New York City. That state is represented by L. A. Bevan, Director of the New Jersey Agricultural Extension Service of Rutgers University.

William C. Crow, Economist of the Bureau of Agricultural Economics, is well able to speak about market conditions on this market. He recently conducted a study of this New York market for the United States Department of Agriculture.

The situation here in New York is important to everyone. New York is a national market in every sense. New York handles produce from 42 States. It receives one-eighth of the Nation's total commercial production of fresh fruits and vegetables. No other city in the country has such a large population, such a range in incomes, or such a diversity of nationality. All of these are reflected in the demand for food products. What do you say, Crow, what points have I missed?

CROW:

I think you should have pointed out that the prices which apples, potatoes, or other farm products, bring in New York have a lot to do with the prices they bring in other parts of the country.

ROWELL:

That emphasizes the fact that New York is truly a national market. We have already heard something of the situation that exists in the Washington Street market on lower Manhattan Island, but the men here will, I am sure, be able to give additional information, based on their own experiences.

Growers from almost all States and countless consumers, many of them within sight of this building, are concerned with the cost of marketing fruits and vegetables here in New York.

The consumers in the New York area spend more than a quarter of a billion dollars each year for fresh fruits and vegetables. About half that sum is spent in getting these food products from the city limits of New York to the consumer's table.

HAVENER:

Let me do a little figuring here -- That means it costs about a hundred and 25 million dollars to distribute fruits and vegetables within New York City. Tell me, Crow, does that hundred and 25 million include the cost of wholesaling, jobbing, retailing, trucking, handling, and all other distribution costs?

CROW:

Yes, Havener, -- that figure includes all costs of handling within the city. And that seems to me to be mighty expensive distribution. Don't you agree, Vahlsing?

VAHLSING:

Yes, it is, -- too expensive, in fact.

HAVENER:

The important part is that these high costs are largely due to conditions over which we dealers have no control. The conditions under which we work are pretty bad, our facilities are out-of-date.

ROWELL:

Well, what's the matter with the New York Market? Why should it cost so much to handle produce through it? How about it, Wellbrock?

WELLBROCK:

From a grower's standpoint, I think there is plenty the matter with this market. Now, Havener, you've been here in the midst of things for 20 years. Suppose you tell us what you see wrong with this market.

HAVENER:

In the first place, produce is unloaded at 19 or 20 different spots scattered all over Manhattan Island and across the river in Jersey. Buyers have to go from place to place to see, buy--and of course, load their trucks. What's more, we receivers must keep salesmen at each place we have stuff, or we have to haul this scattered produce to our stores in the Washington Street area.

VAHLSING:

Most of the dealers TRY to bring their produce to one place, but hauling thousands of carloads from these unloading points to Washington Street costs money, takes a lot of time, and damages produce.

WELLBROCK:

Crow has been studying the situation here. Can't he tell us how much this kind of cartage costs?

CROW:

The actual cartage, costs about 2 million dollars a year. And this does not include the loss from damage caused by the extra handling.

BEVAN:

Vahlsing, you said "TRY" to haul your produce to the stores,--just what do you mean by that?

VAHLSING:

TRY is right -- it's impossible to get all those trucks into Washington Street.

HAVENER:

That's right. Washington Street and most of the other streets in our market are just wide enough for three trucks,--one on each side and room for one to pass up the middle. By the way, Crow, how many trucks can load or unload at one time in Washington Street?

CROW:

Well, Havener, you know none of the stores except those on the corners have rear entrances,--and the streets are so narrow that the trucks must park parallel to the curb -- so only a few more than 300 trucks can get to the stores at any one time. There are often as many as 13 hundred trying to reach these 300 places at once.

ROWELL:

In that case, what do the other thousand do?

HAVENER:

They wait on side and back streets a block or two away -- and have the produce delivered to them on hand trucks pushed by porters. If they try to get into the market and pick up their load, they get stuck in traffic for hours. I know some firms that have as many as 20 men who push or lug stuff between their store and some one's truck. You can bet we don't handle produce this way because we want to --- we just can't help it. I've often wondered what this portage costs a year.

BEVAN:

It costs more than a million dollars, according to very recent figures, and that does not count damage from handling. Total cost of traffic congestion in this market is nearly 2 million a year.

WELLBROCK:

I'm not surprised at that figure. But I think there is still more unnecessary handling in this market. Just the other night I was watching them handle produce on the railroad piers along the river. They've narrow entrances. And what'd they do? They loaded produce on one truck to bring it off the pier-- a 200 yard haul-- then loaded it onto another truck. They told me this short haul costs about 30 dollars per carload.

CROW:

Wellbrock, you might be interested to know that according to the recent Department of Agriculture study these so-called "Pierhead Delivery" and "O.C. charges" at the piers amount to about two-thirds of a million dollars a year.

VAHLSING:

Another thing the matter with this market is that after the produce finally gets to Washington Street -- there is not room enough to handle it as it should be handled. The dealers haven't the space or facilities to display it. Some men have to leave the produce on trucks standing in the street, or unloaded on the sidewalks a block or two away from their stores because they do not have the storage and display space.

Washington Street market is over a hundred years old. The buildings are out-moded and obsolete. The stores are only 20 to 25 feet wide. Only the first floors and sidewalks are used for display and sale. The upper floors of these old antiquated buildings are almost worthless for handling produce. About all they are good for is to store old boxes, bags, or junk of one kind or another. Not many of the stores have cold storage rooms for protecting highly perishable products.

Until the New York market gets facilities that are modern so that the fellows in the business can handle fruits and vegetables on a streamlined basis the costs of distributing these farm products will stay high. And these high costs mean either one of two things -- a lower net return to the farmer--or-- higher prices to the consumer.

WELLBROCK:

Vahlsing just mentioned a streamlined market. If that means less waste and quick movement of produce--then from the grower's standpoint--I'll say it sounds good to me. Havener - you do business in the New York Market every day-- let's hear what you think a new market in this city should have.

HAVENER:

Well, that's a pretty tough question to answer right off. Let's see-- I suppose the thing I'd like to see most is one consolidated market. A market where all receipts - no matter how they got here--whether by boat, or rail or truck--could be unloaded directly on the floor where they are to be sold. This would cut out the cost of carting from so many unloading points to the central market area.

WELLBROCK:

That's a good start - got any more ideas?

HAVENER:

Yeah,--another thing I think is important was mentioned a moment ago -- plenty of room for display and storage--and by that I mean good refrigeration for the most perishable products as well as plenty of ordinary storage for other commodities.

CROW:

That would make it possible for dealers to display and sell all their produce in one place. They would not have to keep salesmen in several places at one time. And buyers would not have to go to several locations to obtain their supplies. Bevan, what do you think?

BEVAN:

With space and equipment to display their offerings and with supplies and buying power concentrated in one market area, then products are likely to sell at their true value.

VAHLSING:

I think that the buildings should be built so that trucks can back up to the platform and have the floor level and the bottom of the body of the truck the same height. Stores should have covered rear and front platforms--those covered platforms help a lot when it comes to handling and showing your stuff to best advantage.

HAVENER:

That sounds good to me, Vahlsing. Now if I were going to have a store to fit my needs, I'd want one with a good basement where I could do my repacking and storing. I'd like my office higher than the floor level and not on the second floor. An office like that lets the man in charge oversee the sales floor and keep an eye on what is going on.

BEVAN:

Now that nearly half the supplies arrive by truck, and all leave by truck, it seems to me that any new market must have front and rear entrances. I guess Vahlsing had that in mind when he mentioned covered front and rear platforms.

WELLBROCK:

In thinking about a modern, efficient market plenty of thought ought to be given to the width of the streets. How wide do you think they should be Crow -- so as to give plenty of room for trucks to back up to the stores and not park parallel as they do now - and still leave plenty of room for other trucks to get through?

CROW:

We've good reason to believe they should be at least a hundred feet wide. If you have wide streets and front and rear entrances to the stores, you could accommodate five or six trucks at a store or the size that will now take care of only one truck. Then your thousand trucks that can't get to the stores would have no difficulty.

HAVENER:

You know, -- it would be a good idea to have a fence around a market. Then you could regulate hours of arrival and selling. That would give everybody a fair break. This would help keep the prices from going up and down throughout the day as much as they do now. That would mean a lot to farmers as well as buyers and sellers.

VAHLSING:

Yes and it would shorten the selling hours and should cut the cost of doing business.

ROWELL:

Crow, do you think we have covered the main points about a good market?

CROW:

Probably we've covered the main ones. But there's a lot more that could be said. I think we should add that the type of market we've been talking about requires a great deal of land for streets, buildings, parking areas, and other necessary features. We must not forget that the produce business is essentially a one floor industry -- it must spread out -- not up. Therefore to have an economical lay-out the market should be built on low cost land where there is plenty of room for expansion. It should be conveniently located for all buyers, but not necessarily in the heart of the business district.

WELLBROCK:

And any market that is built should be practical, without the fancy frills we see in some markets. We need a practical, common sense, every day market that will provide adequate facilities -- you know - useful, not ornamental.

BEVAN:

We've been trying to answer the question -- what does it take to provide adequate market facilities-- a good market? Now, Crow, if a good market of the type we've been describing were built in New York City how much would it reduce the annual cost of distribution?

CROW:

Our studies show that the annual savings over and above the cost of new facilities, would amount to more than 7 million dollars a year -- and that does not include savings from reduced spoilage and deterioration.

BEVAN:

How would rents in an ideal market compare with those which the dealers are now paying?

CROW:

They would be considerably less, and 2 million dollars would be saved in cartage, -- another 2 million in congestion. Many other savings would be possible if some agency would provide the proper type of market.

ROWELL:

We take leave of this round-table discussion. Those who took part are - - Fred Vahlsing, Texas grower and shipper, Charles Havener, produce dealer on the New York market, John Wellbrock, Florida grower and shipper, L. A. Bevan, Director of the New Jersey Agricultural Extension Service of Rutgers University, and William C. Crow of the Bureau of Agricultural Economics of the United States Department of Agriculture.

We have only touched the highlights of the complicated and expensive problem of marketing fresh fruits and vegetables in New York City. We have tried to make clear the congestion, the lack of adequate, modern facilities and the unnecessary handling. You heard about the many points where these food products arrive. The distribution system here in New York is a little like Topsy - it just grew.

The Bureau of Agricultural Economics of the United States Department of Agriculture has been studying this problem in New York City, trying to find out just what is wrong with the marketing system, and what changes should be made to provide an adequate market in this nation's largest city.

In connection with this survey it was the sole function of the United States Department of Agriculture to get the facts, put them together, and make recommendations. The study was made at the request of farmers in many sections of the county, Mayor La Guardia of New York City and William Fellows Morgan Jr., Commissioner of the New York City Department of Markets, Weights and Measures.

Each consumer, each farmer, as well as those in the trade have an important stake in this problem. Problems of this kind are not solved in hours or days -- but it is hoped that a keener realization of this situation will result in some form of action.

And now back to our announcer.

ANNOUNCER:

Thanks, Mike. That was E. J. "Mike" Rowell, in charge of Radio for Agricultural Marketing Service, of the Department of Agriculture.

#---O---#

